

Red Rocks Community College

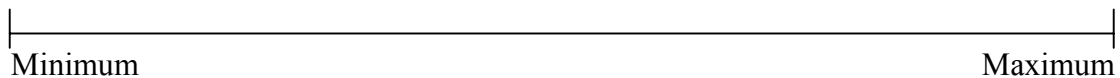
Classified Performance Pay Program

Senate Bill 00-211 required the Department of Personnel to develop a performance pay plan for classified State of Colorado employees. An Executive Oversight Committee was appointed by Governor Owens to develop a statewide performance pay system that met the criteria established in SB 00-211. The committee developed guidelines for state agencies and higher education institutions to follow in creating their performance pay programs. The guidelines ensure some statewide consistency in performance management, performance-based pay and dispute resolution. Red Rocks Community College (RRCC) has developed the Classified Performance Pay Program in order to comply with these guidelines and the corresponding State Personnel Director's Procedures effective July 1, 2001.

A committee of classified employees and the Executive Director of Human Resources developed RRCC's Classified Performance Pay Program. The program was reviewed and approved by RRCC's President's Cabinet.

DEFINITIONS

Base Building Award	Amount of pay that is added to an employee's regular ongoing salary.
Base Salaries	Sum of the classified salaries, excluding vacant positions and departing employees' salary.
Salary Pool Increase	Percentage that the classified base salaries are funded to increase in one year, as determined by RRCC.
Job Classification	Term used to designate a group of positions that perform similar functions.
Funding Pool	Amount of dollars that are allocated by RRCC to classified salary increases. This amount is determined by multiplying the sum of base salaries by the salary pool increase percentage.
Non-Base Building Award	Amount of pay that is not added to an employee's regular ongoing salary and must be re-earned.
Pay Range	The spread between minimum and maximum rates for a specific classification.



Minimum	Lowest base pay amount allowed for a classification in the range.
Maximum	Highest pay allowed for a classification in the range.

PERFORMANCE MANAGEMENT

RRCC is committed to the mission of developing and supporting life-long learners. All employees are evaluated on their contributions to the College's strategic goals. Through ongoing performance assessment and improvement, RRCC strives to provide the highest quality of educational services. The Classified Performance Pay Program includes annual performance planning, mid-year progress review, multi-source feedback and supervisory evaluation in order to directly link job performance to pay.

PERFORMANCE MANAGEMENT TOOLS

The Performance Planning and Evaluation Form, Multi Source Feedback Questionnaire materials and Significant Events Record are included in Appendix A.

All RRCC Classified employees are annually evaluated on the same evaluation form, which is designed for supervisors to complete a qualitative evaluation of employee performance. The Performance Planning and Evaluation Form includes core competencies that all RRCC classified employees are evaluated on. These competencies are consistent with the State Uniform Core Competencies. Each competency is defined on the evaluation form and performance standards for Meets Expectations, Exceeds Expectations and Meritorious ratings are set for each competency.

The evaluation form also includes identification of major job duties and performance/training goals, which are established during the planning process. Major job duties are consistent with the employee's Position Description Questionnaire and require performance standards to be established at the Meets Expectations, Exceeds Expectations and Meritorious rating levels. Performance/training goals are project, performance improvement and/or training and development goals consistent with College and department goals. Performance standards are established for each goal at the Meets Expectations, Exceeds Expectations and Meritorious rating levels.

The Multi Source Feedback Questionnaire (MSFQ) is designed to provide employees with co-worker/customer/subordinate feedback. Employees and supervisors agree at the beginning of the plan year on individuals that will be solicited at year-end for feedback. All subordinates are solicited for feedback on their supervisor. The MSFQ has eleven (11) categories that Classified employees elect seven to ten of to be rated on within a six-point scale. All categories include a "not observed" rating option that is not factored into summary totals. Each employee's feedback responses are tabulated to produce individual summary reports. The summary reports are factored into the overall performance evaluation. To maintain confidentiality Human Resources coordinates the solicitation and collection of feedback.

The Significant Events Record is designed to record both positive and not so positive employee performance throughout the plan year. Employees and supervisors note significant employee performance events and keep the record on file to assist in completing the evaluation at year-end. Such record-keeping encourages a comprehensive approach to performance evaluation, by ensuring performance information is maintained

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throughout the plan period and providing a reference for supervisors to refer to at year-end.

PLAN RESPONSIBILITY

Supervisors and employees jointly develop performance plans, with supervisors being responsible for finalizing performance plans in a timely manner. Supervisors are responsible for completing performance evaluations within the established timelines. Performance plans and/or evaluations not completed by the supervisor are the responsibility of the next-level supervisor and on up the chain of command until the plan and/or evaluation are completed. If an evaluation is not completed, then an overall evaluation rating shall be given as Meets Expectations, until the final evaluation is completed. Supervisors failing to finalize performance plans and/or performance evaluations are subject to ineligibility for performance awards and suspension. Supervisors are evaluated on how effectively they manage the performance of their employees.

COMMUNICATION AND TRAINING

Supervisors are responsible for communicating RRCC's Performance Pay Program to their subordinates. On-going supervisory and employee performance management training has been conducted since November 1997, when RRCC began implementing performance management. General performance management training as well as specific training in utilization of RRCC performance management tools was conducted. Sessions focused on both the employees' and the supervisors' perspectives of performance management. Training for new supervisors will be included in a RRCC supervisory training program currently being developed, which current supervisors will be encouraged to attend and new supervisors will be required to attend. Performance management on-line training will also be available to supervisors through RRCC's employee on-line learning program currently being developed. All new classified employees attend a one-hour session on performance management as part of RRCC's organizational orientation program. On-going training will be scheduled as needed.

IMPLEMENTATION

Implementation of the program began with the development of 2001-2002 performance plans, with the first pay-outs under the program effective July 1, 2002.

PERFORMANCE CYCLE

The performance evaluation period begins on April 1st of each year and end on March 31st of the following year. Completed evaluations are due in Human Resources by May 1st in order to allow time to complete the administrative process prior to July 1st.

The performance evaluation process consists of three phases:

Performance Planning

Within the first month of the evaluation period the supervisor and employee meet to identify and document job duties, performance goals and performance expectations on the Performance Planning and Evaluation Form. Performance goals should be consistent

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with RRCC's annual operational plan and performance objectives. Teamwork may be incorporated into an employee's performance plan. The Multi Source Feedback Questionnaire Worksheet is also completed. Performance planning should be completed for new/transferred/promoted employees within one month of starting in a new position.

Performance Management

The supervisor is expected to coach and counsel employees on achieving performance expectations and to provide ongoing performance feedback throughout the year. At least once during the evaluation period the supervisor and employee meet to discuss and document progress. Goals and expectations may be revised as appropriate. This meeting should occur mid-way through the evaluation period. Both the employee and supervisor sign in the appropriate area of the evaluation form to acknowledge having discussed performance progress.

Performance Appraisal

At the end of the evaluation period the supervisor and next level supervisor complete the performance evaluation prior to reviewing with the employee. When the supervisor and next level supervisor agree on the evaluation, it is submitted to Human Resources for review. Human Resources will monitor the quality and consistency of all performance ratings, before the employee and supervisor meet to discuss the evaluation. The Multi Source Feedback Report of Findings information is included in determining an overall evaluation rating. Each employee's evaluation rating is based on his/her actual performance. Quotas or forced distribution processes are prohibited. The employee and supervisor meet to discuss the evaluation, Multi Source Feedback Report of Findings and overall rating. The employee signs the evaluation as an indication of having received and reviewed it. If the employee disagrees with the performance evaluation an explanation of his/her disagreement must be included.

An overall rating of Needs Improvement requires the employee and supervisor to develop a performance improvement plan. The performance improvement plan shall stipulate a timeframe for evaluation follow-up. If performance is still unsatisfactory at the time of follow-up the employee is subject to a corrective action and subsequently a disciplinary action if performance continues to be unsatisfactory.

PERFORMANCE RATINGS

Needs Improvement Performance falls short of the standards established for the job. Work may be of variable quantity and quality or may be consistently short of the mark. Goals are not consistently achieved.

Meets Expectations Performance fully satisfies the requirements of the job. Quality and quantity of work meet requirements of the job. Goals and expected results are achieved.

Exceeds Expectations Quality of work is better than established standards or expectations. Goals and expected results are exceeded.

Meritorious Performance far surpasses the overall job requirements and expectations. This level of performance is unique and difficult to

achieve. Employees at this level continuously perform in an exceptional manner consistent with the college's mission, strategic initiatives and operational objectives.

FUNDING AND DISTRIBUTION

Classified employees' awards are annually budgeted through a "funding pool" established each year by RRCC's President's Cabinet. Awards are subject to available funding and no award is guaranteed. The total funding pool dollars are determined by the overall percentage that RRCC classified base salaries can increase for the next year, after salary survey increases are applied. The funding pool is distributed to classified employees based on RRCC's established distribution model (see Appendix B). An employee's performance award is dependent upon the total amount of money allocated by RRCC to Classified salary increases for the upcoming year, the distribution of overall performance ratings of all classified employees and the employee's overall performance rating.

The distribution model is designed to award employee performance pay based on the supervisor's overall evaluation, while ensuring that the total employee awards do not exceed RRCC's allocated annual budget. The model also ensures consistency in performance awards across classified employees. The model requires that the funding pool be established and the distribution of employee ratings be determined prior to identifying the percentage amounts of actual awards.

Awards are base building below the salary range maximum and non-base building above the salary range maximum. Employees who receive a Needs Improvement overall evaluation rating are not eligible for an award. Employees who are below the salary range maximum in their classification and achieve an overall Meets Expectations, Exceeds Expectations or Meritorious rating, receive a base building award up to the range maximum. Employees at or above the salary range maximum in their classification and achieve a Meritorious rating are only eligible for a non-base building award. Only employees who achieve a Meritorious rating may receive an award that results in a dollar amount above the salary range maximum. Employees at or above the salary range maximum in their classification and receive Meets Expectations or Exceeds Expectations are not eligible for any performance award.

Consistent with the State Personnel Director's Procedures the minimum award for overall Meets Expectations will be greater than 0%. RRCC's President's Cabinet annually sets the minimum and maximum awards for each level of performance. Maximum limits do not guarantee awards will be made at the maximum level, but rather regardless of performance, no employee will receive an award greater than the set performance award maximums. The maximum award for Meets Expectations will be less than the minimum award for Exceeds Expectations. The maximum award for Exceeds Expectations will be less than the minimum award for Meritorious. The State Personnel Director will annually set the maximum award for Meritorious. The minimum award for employees at the maximum of their classification salary range is 0% because payment of awards above the salary range maximum is at the sole discretion of RRCC's President's Cabinet.

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Performance awards are effective July 1st of each year and are a percentage of employees' base salary as of July 1st. Base building awards are paid out as an increase to Classified employees base salary. Non-base building awards do not increase the base salary and are paid in a lump sum amount in the July payroll. Employees hired within the previous year are eligible for a performance award, however the award is prorated 1/12 for each month of service completed since the date of hire.

RRCC's President Cabinet will annually consider the options for using non-salary and monetary incentives to supplement salary-based performance awards.

DISPUTE RESOLUTION

The State Personnel Director has jurisdiction for disputes related to performance evaluations not leading to corrective or disciplinary action. RRCC will utilize the Community Colleges of Colorado common Pay for Performance Dispute Resolution Process as described in Appendix C. The dispute resolution process is designed to be open and impartial, while encouraging dialogue and communication to solve problems. Retaliation against any person in the dispute resolution process is prohibited. The process has an internal stage within RRCC and an external stage at the Department of Personnel level. The Dispute Resolution process is annually distributed to Classified employees at the beginning of each program year.

The internal stage has both informal and formal levels for resolving pay for performance disputes. Employees are encouraged to informally resolve disputes at the lowest level. If an informal meeting between the employee and the supervisor fails to resolve an employee's concerns, then the employee submits a completed Dispute Resolution Form to Human Resources. If the issue is disputable (as indicated on the Dispute Resolution Process handout), an informal mediation is held to assist the employee, supervisor and second-level supervisor in resolving the dispute.

A designated panel may review disputes that are not informally resolved. The panel is comprised of two (2) Classified employees and one (1) exempt employee. A panel is created as needed by requesting the RRCC Classified Council and the RRCC Pro/Tech-Admin Council to provide volunteers to sit on a panel. The panel makes a recommendation to the College President for a final decision. The State Personnel Director may review matters relating to the application of the College's program or full payment of an award.

TRANSITION YEAR

The process recommended by the Pay for Performance Executive Oversight Committee will be used to move all RRCC Classified employees to a common July 1 award pay date. This process is necessary as current budgeting for Classified anniversary increases is based on the number of months employees are actually paid an increased salary. The process pro-rates the first year's awards based on each employee's current anniversary date. Employees not currently eligible for anniversary increases will be calculated on the

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month utilized when an anniversary increase was last received. The calculation for this pro-rating is as follows:

- Employees monthly base salary as of June 30, 2002 times award percentage times the number of months from anniversary month to the end of the fiscal year (next June 30th) = dollar amount of first year performance award.
- Dollar amount of first year performance award divided by twelve (12) = monthly performance award.
- Monthly performance award divided by employee's monthly base salary = first year performance award percentage.

Subsequent years' performance awards will not require this calculation, as all Classified employees will have been moved to the common award pay date.

PROGRAM REVIEW

RRCC's Performance Pay Program will be reviewed on an annual basis. Each year a committee of Classified employees will consider difficulties encountered with the pay program and recommend revisions to RRCC's President's Cabinet. The RRCC's President's Cabinet will consider the recommended revisions as well as review the overall evaluation ratings distribution and performance pay allocations. Any program revisions will be finalized prior to the beginning of the next program year.

All reporting information required by the State Personnel Director will be provided within the required deadlines.